



STRENGTHENING SOCIAL SECURITY: WHAT THEY'RE SAYING

President Bush – Investor Class Ought To Be Extended To Everyone: “A lot of people from different walks of life, different backgrounds, now understand what it means to watch your money grow. This isn't a new concept that's in American society, this is something that's taking place throughout all of society. And I think it makes sense to understand the investor class doesn't belong to a privileged few, but the investor class ought to be extended to everybody who lives in America if that's what you want, if that's what you choose.” (President George Bush, Conversation on Social Security In Rochester, NY, 5/24/05) [Read The Transcript.](#)

President Bush – Confront Problems Now To Help Low Income Workers: “My job is to confront problems, not pass them on to future generations...And we've got a problem... See, if we don't do anything, if we don't come up with a solution to permanently solve this problem, it is conceivable a younger generation of Americans will have to pay an 18 percent payroll tax, or benefits will have to be cut by 30 percent, or the rest of government will have to cut substantially...I think it makes sense for Congress to consider [progressive benefit growth]...It says you'll get a benefit equal to or greater than the previous generation; that, at the very minimum, your benefit will grow at the rate of inflation - if you're poor, your benefit will grow at the rate of wage increases, and that you won't retire into poverty.” (Robert McCarthy, “Bush Keeps Focus on Social Security”, *Buffalo News*, 5/25/05) [Read the Full Story.](#)

Secretary John Snow – Social Security Needs Expeditious And Lasting Change: “The President doesn't believe in burying one's head in the sand... which is essentially what you have to do to ignore the serious nature of the Social Security problem. The Social Security Trustees – for whom I serve as Board Chairman – issued our annual report on the financial health of the programs' trust funds on March 23rd, and the numbers contained in that report leave little doubt that the system is financially unsustainable, and in need of expeditious and lasting change.” (Secretary John Snow, Remarks To The American Institute Of Certified Public Accountants, 5/23/05) [Read The Remarks.](#)

Secretary John Snow – Social Security Debate Helping Financial Education: “As my son often tells me, young people don't believe Social Security will be there for them... so they want to learn about how to invest and save for their own retirement. The President and I hope that they will have the opportunity to save, to build a nest egg, as part of the Social Security system, and I believe that this interest in financial learning among younger generations will really help the launch and success of personal accounts. One of the best things to come out of the Social Security debate so far has to do with financial education. Thanks to the President's leadership, more Americans understand how Social Security really works, and why its fiscal future is bleak. There is also an increased appreciation for the need to get involved in one's own retirement future.” (Secretary John Snow, Remarks To The Financial Literacy and Education Commission Meeting, 5/25/05) [Read The Speech.](#)

Former Democratic Rep. Tim Penny (MN) - Bush Proposal 'Eminently Fair': “‘Most of the arguments against the Bush plan are straw men and red herrings,’ the backer of President Bush's Social Security proposal told The Oregonian editorial board Thursday, and he was not finished. ... ‘What [Bush has] proposed is eminently fair. In fact, demonstrably more generous to workers who were low-income throughout their lifetime. . . .’ ... If tax hikes and benefit changes worked, we wouldn't be in this fix, because we've tried it. Says Penny, “That's what we did in 1983, and look where we are today.” Penny thinks a Social Security system that incorporates personal accounts would do two things. It would prevent Congress from spending the Social Security surplus because Americans would control their own individual Social Security lock boxes. And it would change the public's attitude toward saving for retirement.” (David Reinhard, “A Bush-Plan Fan From The Party Of FDR,” *The Oregonian*, 5/22/05) [Read The Article.](#)

Former Governor Pete du Pont – Personal Accounts Essential: “The question of the hour is: If personal accounts don't solve the problem, why are we talking about them? The quick answer is PRAs were never meant to be a silver bullet, but they are essential to any viable reform package. According to the latest report of the Social Security

Trustees, Social Security faces an unfunded liability of more than \$11 trillion. That means we would need more than \$11 trillion in the bank today, earning interest, just to pay all the benefits the current system promises. Under most reform proposals, PRAs do not shore up the solvency problems on their own. After all, it is unlikely any one measure can shore up the system and still provide the same quality of life we've all been promised. However, saying they "do nothing" is entirely inaccurate. When the president speaks of PRAs, he refers to a system in which participants invest part of what they already pay in payroll taxes, and in exchange the accounts replace part of their government/taxpayer-funded benefits. This creates a combined benefit." (Pete du Pont, "Essential Element Of Reform," *The Washington Times*, 5/23/05) [Read The Op-Ed.](#)

Democratic Rep. Wexler (FL) 'Felt This Was His Time' For Social Security Proposal: "[Rep. Wexler spokeswoman Lale] Mamaux said her boss...felt he had to propose an alternative to the GOP plan. 'He felt this was his time to do this now. ... Our constituents are extremely, extremely strong and vocal about this issue.'" (Mary Ann Akers, "Heard On The Hill," *Roll Call*, 5/24/05) [Read The Article.](#) (Subscription Required)

Social Security Actuary Says Reform Cannot Wait: "Stephen Goss, the nonpartisan chief actuary of the Social Security Administration, said the nation faces a pinch in 2009 because excess payroll taxes flowing into the program will begin to decline, halting the growth of surplus money that Congress has been tapping to fund other government programs. At that time, lawmakers will face the prospect of budget cuts or tax increases that will only grow more severe each year until 2017, when all the surplus revenues end and the program begins paying out more in benefits than it generates in payroll taxes." (Glen Johnson, "Chief Actuary And Bush Warn Of Impending Social Security Challenges," *Associated Press*, 5/24/05) [Read The Story.](#)

Teamsters President James P. Hoffa Backs Social Security Reform: "In a break with other union leaders who have opposed Social Security reform, Teamsters President James P. Hoffa commended President Bush on Tuesday for starting a national conversation on the issue. 'Social Security is a major problem in this country,' Hoffa said during an interview in his office two blocks from the U.S. Capitol. 'We have to make sure that it's preserved for those that come after us. I think President Bush should be given credit for the fact that he has initiated a debate regarding what we should do.'" (Brian Tumulty, "Social Security Debate Lauded," *Gannett News Service*, 5/25/04) [Read The Story.](#)

President's Speech Changes Minds In New York State: "Teenagers, those poised to invest for the longest period into a changed Social Security system, said Bush's speech helped change their minds. 'I like the personal savings account,' said Edward H. Paredes, 15, an East High freshman." (Gary McLendon And Marketta Gregory, "Speech Stirs Support, Questions," *Rochester Democrat And Chronicle*, 5/25/05) [Read The Article.](#)

CBO Director – Progressive Benefit Growth Offers Higher Benefits Than Current System Can Pay: "Under progressive indexing, benefits for high earners would be lower than under current law. But unlike under current law, those benefit reductions would allow the trust funds to remain solvent. As a result, workers in later cohorts would be spared the across-the-board benefit cuts that would occur when the trust funds were exhausted. For lower earners in those cohorts, benefits would be higher than under current law." (Testimony By Douglas Holtz-Eakin, Director Of Congressional Budget Office, As Prepared For Delivery Before The United States Senate Finance Committee, 5/25/05) [Read The Testimony.](#)

Republican Rep. Paul Ryan (WI) – Personal Accounts Should Be Heart Of Reform: "Improving the rate of return on workers' investment in Social Security and moving toward a retirement system in which workers can actually own a substantial part of their retirement benefit under Social Security should be at the heart of reform that strengthens and protects the program for future generations." (Rep. Paul Ryan, "Social Security Fix Calls For Spending Restraint," *The Hill*, 5/26/05) [Read The Column.](#)

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